Fortune Minerals Completes Cobalt Sulphate Test Work

Results demonstrate higher metal recoveries from a simplified metallurgical flow sheet

LONDON, Ontario--(BUSINESS WIRE)--January 21, 2026--**Fortune Minerals Limited (TSX: FT) (OTCQB: FTMDF)** ("**Fortune**" or the "**Company**") (www.fortuneminerals.com) is pleased to announce that it has successfully concluded the validation test work for an optimized hydrometallurgical flowsheet to produce battery grade cobalt sulphate heptahydrate for the NICO cobalt-gold-bismuth-copper project ("**NICO Project**") in Canada. The results verified that a high-quality cobalt sulphate heptahydrate product can be generated with very good metal recoveries from a simplified process flow sheet to help mitigate capital and operating costs escalation for the NICO Project. The test work was supported by contribution funding from Natural Resources Canada ("**NRCan**")'s Global Partnerships Initiative ("**GPI**") program, a U.S. Defense Production Act Title III award and contributions from Alberta Innovates' Clean Resource Intake program.

The NICO Project is an advanced development asset comprised of a planned open pit and underground mine and concentrator in the Northwest Territories ("**NWT**") and a dedicated hydrometallurgical facility in Alberta ("**Alberta Refinery**") where concentrates from the mine, and other feed sources, will be processed to value-added critical mineral products. The NICO Project will provide a reliable North American supply of battery grade cobalt sulphate, bismuth ingots (12% of global reserves), and copper cement - with more than one million ounces of in-situ gold as a highly liquid and countercyclical co-product.

"Our new government is working with Canada's world-class minerals industry to build resilient, secure, sustainable – and most importantly, made-in-Canada – critical mineral supply chains. This milestone from Fortune Minerals is not only an important step forward, but a perfect example of how Canada can deliver the world-class products, from batteries to magnets and beyond, that our domestic and international manufacturers and partners need. As demand grows, we are stepping up to meet that demand in a way that promotes Canada, attracts investment, and creates local jobs," said The Honourable Tim Hodgson, Minister of Energy and Natural Resources.

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The objective of the recent test work was to validate improvements to the hydrometallurgical process Fortune will use to produce a high-purity cobalt sulphate heptahydrate product for the lithium-ion rechargeable battery industry. The work was carried out at SGS Canada Inc. ("**SGS**") at its world class Lakefield, Ontario metallurgical facilities. Fortune previously announced partial results for this work confirming the pressure oxidation conditions for autoclave processing NICO Project cobalt concentrate that had previously been determined in a 2008 pilot plant. The current work verified process optimizations at two different concentrate grades and achieved extractions of 97% for cobalt and 74% for copper at the design feed grade versus 95% for cobalt and 70% for copper in the 2008 pilot plant. Extractions using an off-specification low-grade cobalt feed were 95% for cobalt and 79% for copper, confirming the earlier pilot plant metal recoveries (see July 7, 2025, news release). The recent tests also confirmed these

recoveries after blending the cobalt concentrate with residues from the bismuth leach circuit prior to autoclave processing in order to capture all of the recoverable gold in one process stream, while also recovering additional cobalt and copper that had deported to the bismuth circuit. Gold recoveries in the recent tests were between 97% and 98% compared to 95% in the earlier 2008 pilot plant work.

The recent test work also indicates that a direct pre-neutralization sequence of the autoclave discharge would be beneficial at bench scale, removing about 99% of the contained arsenic without oxygenation or heating, and without incurring any cobalt losses. This improvement to the process flowsheet indicates the equipment sizes can likely be reduced to lower the capital and operating costs for the Alberta Refinery. The recently completed test work also focused on verification of the downstream solution purification - consisting of manganese removal, solvent extraction purification, and evaporation and crystallization of a battery grade cobalt sulphate heptahydrate product. The purity of the cobalt sulphate met the 99.99% (20.959% cobalt in sulphate) specification received from lithium-ion battery manufacturers and the heavy metal impurities also met the specified limits.

NICO Project Cobalt Specifications

Element	Assay unit	Battery Grade Cobalt Sulphate Specifications	NICO Project Cobalt Sulphate Product Specification
Ni	g/t	<10–50	<6
Fe	g/t	<5–20	<1
Cu	g/t	<5–10	1
Mn	g/t	<10–50	25
*Zn	g/t	<5–10	<7
Ca	g/t	<10–20	4
*Mg	g/t	<5–10	n/a
Na	g/t	<20–50	<10
K	g/t	<10–20	<10
As	g/t	<5 (in heavy metals)	<1
Cd	g/t	<5 (in heavy metals)	<1
Pb	g/t	<5–10 (in heavy metals)	<1
As+Cd+Pb	g/t	<5–10	<3
*SO_4 (excess)	g/t	<100	53
Si	g/t	<5–10	<5
*Insol's	% wt.	<0.01	<0.01
*Co	% wt.	>20.958	20.959
CoSO4•7H2O	% wt.	>99.990	99.995
*Mg - engineering optimization work in progress.			

Fortune is now conducting tests at SGS to validate the production of a cobalt mixed hydroxide product (CoMHP) as a lower capital and operating cost start-up option for the Alberta Refinery. Preliminary tests were successful in producing CoMHP with attractive cobalt, nickel and copper contents and additional tests are being carried out at SGS to support an economic sensitivity

analysis for the NICO Project Feasibility Study currently in progress by Worley Canada Services Ltd. Currently, cobalt hydroxide prices compare favourably to cobalt sulphate and metal products due to the shortage of hydroxide from export restrictions by the Democratic Republic of the Congo. Making a CoMHP product would be a lower cost alternative that might support a compelling economic alternative at start-up.

For more detailed information about the NICO Mineral Reserves and certain technical information in this news release, please refer to the Technical Report on the NICO Project, entitled "Technical Report on the Feasibility Study for the NICO-Gold-Cobalt-Bismuth-Copper Project, Northwest Territories, Canada", dated April 2, 2014 and prepared by Micon International Limited which has been filed on SEDAR and is available under the Company's profile at www.sedarplus.ca.

The disclosure of scientific and technical information contained in this news release have been approved by Robin Goad, M.Sc., P.Geo., President and Chief Executive Officer of Fortune and Alex Mezei, M.Sc., P.Eng. Fortune's Chief Metallurgist, who are "Qualified Persons" under National Instrument 43-101.

About Fortune Minerals

Fortune is a Canadian mining company focused on developing the NICO cobalt-gold-bismuth-copper project in the Northwest Territories and Alberta. Fortune also owns the satellite Sue-Dianne copper-silver-gold deposit located 25 km north of the NICO deposit and is a potential future source of incremental feed to extend the life of the NICO concentrator.

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This press release contains forward-looking information and forward-looking statements within the meaning of applicable securities legislation. This forward-looking information includes statements with respect to, among other things, the construction of the proposed mine and concentrator in the Northwest Territories and the hydrometallurgical facility in Alberta, and the Company's plans to develop the NICO Project. Forward-looking information is based on the opinions and estimates of management as well as certain assumptions at the date the information is given (including, in respect of the forward-looking information contained in this press release, assumptions regarding: the Company's ability to complete construction of a NICO Project hydrometallurgical facility; the Company's ability to arrange the necessary financing to continue operations and develop the NICO Project; the receipt of all necessary regulatory approvals for the construction and operation of the NICO Project and the related hydrometallurgical facility and the timing thereof; the time required to construct the NICO Project; and the economic environment in which the Company will operate in the future,

including the price of gold, cobalt, bismuth and other by-product metals, anticipated costs and the volumes of metals to be produced at the NICO Project). However, such forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. These factors include the risks related to the new Mineral Reserves, Mine Plan and production schedule for the NICO Project, the Company may not be able to finance and develop NICO on favourable terms or at all, uncertainties with respect to the receipt or timing of required permits, approvals and agreements for the development of the NICO Project, including the related hydrometallurgical facility, the construction of the NICO Project may take longer than anticipated, the Company may not be able to secure offtake agreements for the metals to be produced at the NICO Project, the Sue-Dianne Property may not be developed to the point where it can provide mill feed to the NICO Project, the inherent risks involved in the exploration and development of mineral properties and in the mining industry in general, the market for products that use cobalt or bismuth may not grow to the extent anticipated, the future supply of cobalt and bismuth may not be as limited as anticipated, the risk of decreases in the market prices of cobalt, bismuth and other metals to be produced by the NICO Project, discrepancies between actual and estimated Mineral Resources or between actual and estimated metallurgical recoveries, uncertainties associated with estimating Mineral Resources and Reserves and the risk that even if such Mineral Resources prove accurate the risk that such Mineral Resources may not be converted into Mineral Reserves once economic conditions are applied, the Company's production of cobalt, bismuth and other metals may be less than anticipated and other operational and development risks, market risks and regulatory risks, cobalt sulphate specifications may not be achieved, the simplified flow sheet may not mitigate capital and operating costs . Readers are cautioned to not place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking information will not be achieved by the Company. The forward-looking information contained herein is made as of the date hereof and the Company assumes no responsibility to update or revise it to reflect new events or circumstances, except as required by law.

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